

REMARKS**I. General**

Claims 1-59 were pending in the present application and were rejected in a Final Office Action mailed February 13, 2004. The outstanding issues in the Final Office Action are:

- Claims 40-52 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter; and
- Claims 1-59 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,704,044 issued to Tarter et al. (hereinafter "*Tarter*") in view of U.S. Patent No. 5,191,522 issued to Bosco et al. (hereinafter "*Bosco*").

In response to the Final Office Action, Applicant has filed a Request for Continued Examination (RCE), which this Amendment accompanies. As discussed further below, Applicant respectfully traverses the outstanding claim rejections raised in the Final Office Action, and requests reconsideration and withdrawal thereof in light of the remarks presented herein.

II. Amendments**A. In the Specification**

Various typographical and grammatical errors have been corrected in the specification. No new matter is added by these amendments.

B. In the Drawings

FIGURES 8, 12, and 13A are amended herein. More particularly, in FIGURE 8, the lead line from label 110 is corrected to reference the appropriate box instead of referencing the box that is also referenced by label 112. In FIGURE 12, a lead line is provided from the label 174c to the drop-down input box to more accurately correspond to the description of this FIGURE provided in the specification. In FIGURE 13A, the word "Medical" is included in the box labeled 182a to correspond to the description of this FIGURE provided in the

specification. Additionally, in FIGURE 13A, the pricing amount shown in box 188a is changed from \$950.00 to \$750.00 to accurately correspond to the description of this FIGURE provided in the specification.

Replacement sheets for these FIGURES, as amended, are submitted herewith.

C. In the Claims

Claim 40 is amended herein to delete the extraneous word “against” therefrom. This amendment is not intended in any way to narrow the scope of claim 40, and is made solely to improve the readability of this claim. No other claim amendments are made.

New claims 60-86 are added herein. Support for the new claims can be found throughout the specification and FIGURES. Thus, no new matter is added by the amendments and new claims presented herein.

III. Claim Rejections Under 35 U.S.C. § 101

Claims 40-52 are rejected in the Final Office Action under 35 U.S.C. § 101 as being directed to non-statutory subject matter. The Final Office Action asserts that these claims are rejected “because they have only recited a computer implemented method in the preamble of the claims.” Item 4 on Page 2 of the Final Office Action. The Final Office Action further asserts that “the body of the claims must also include this feature.” *Id.* As provided below, Applicant respectfully traverses this rejection. In short, 35 U.S.C. § 101 explicitly recognizes a “process” as a proper statutory category that is protectable by patent. Applicant is aware of no requirement that a process must be claimed as a “computer implemented method.” Indeed, many process claims have been issued by the U.S. Patent and Trademark Office that are not directed to computer implemented methods. Applicant is certainly aware of no requirement that the body of a method claim must include the “computer implemented” feature. Thus, because the preamble of claims 40-52 specify that they are directed to a process (i.e., a “method”), and more particularly to a “computer implemented method,” Applicant respectfully submits that these claims are directed to proper statutory subject matter in accordance with 35 U.S.C. § 101. Further, Applicant respectfully submits that even if features recited in the preamble are not given patentable weight, the preamble can be used for determining the statutory category to which the claim is directed.

35 U.S.C. § 101 provides: “Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title”

(emphasis added). M.P.E.P. § 2106.IV.A. explains:

As cast, 35 U.S.C. 101 defines four categories of inventions that Congress deemed to be the appropriate subject matter of a patent; namely, processes, machines, manufactures and compositions of matter. The latter three categories define “things” while the first category defines “actions” See 35 U.S.C. 100(b) (“The term ‘process’ means process, art, or method, and includes a new use of a known process, machine manufacture, composition of matter, or material.”).

Thus, a process is recognized specifically by 35 U.S.C. § 101 as appropriate subject matter of a patent. As such, Applicant respectfully submits that claims 40-52 fall within this recognized category of appropriate patentable subject matter. Accordingly, 35 U.S.C. § 101 provides that Applicant “may obtain a patent therefor, subject to the conditions and requirements” of title 35 of the U.S.C.

As the Supreme Court has held, Congress chose the expansive language of 35. U.S.C. 101 so as to include “anything under the sun that is made by man.” *Diamond v. Chakrabarty*, 447 U.S. 303, 308-09, 206 U.S.P.Q. 193, 197 (1980). M.P.E.P. § 2106.IV.A. further explains that the “subject matter courts have found to be outside the four statutory categories of invention is limited to abstract ideas, laws of nature and natural phenomena” (emphasis added). “These three exclusions recognize that subject matter that is not a practical application or use of an idea, a law of nature or a natural phenomena is not patentable.” M.P.E.P. § 2106.IV.A. (emphasis in original).

It appears that the Final Office Action in asserting that “the technological arts recited in the preamble ... does not confer statutory subject matter to an otherwise abstract idea” (Page 2 of Final Office Action) is effectively alleging that the method of claims 40-52 recite an abstract idea. In other words, the Final Office Action appears to assert that unless a computer implementation is specifically recited for performing the method steps, the recited method is merely an abstract idea. Under this logic, the statutory category of “process” that is specifically recognized by 35 U.S.C. § 101 is actually only proper if a claimed process is recited as being implemented by a computer. Applicant is not aware of any such restriction

on this statutory category. Indeed, as described hereafter, claims 40-52 are not directed to an abstract idea, irrespective of whether the recited elements are implemented in a computer.

Claim 40 specifically recites “comparing each claim code, of the claim, against each qualification code ...; when a qualification code ... is satisfied by a claim code ... identifying said contractual term as a matching contractual term ... and creating a list of all matching contractual terms; determining any priority conditions ..., and eliminating any matching contractual terms ... that are excluded by said priority conditions; and determining a reimbursement charge for each claim line associated to a non-eliminated matching term, and adding the reimbursement charges for said claim lines....” Claim 40 does not merely recite an abstract idea, but instead positively recites various actions to be performed in the claimed method (e.g., comparing, identifying, creating, determining, eliminating, adding).

M.P.E.P. § 2106 provides that a “process that consists solely of the manipulation of an abstract idea is not concrete or tangible”, and it further explains that “[o]ffice personnel have the burden to establish a prima facie case that the claimed invention as a whole is directed to solely an abstract idea”. In the present case, the Examiner has failed to properly establish such a prima facie case. Indeed, the Examiner offers no reasoning as to why the recited process of claims 40-52 is asserted to be directed to an abstract idea other than asserting that the claims “do not show any structure or functionality to suggest that a computer performs the recited steps.” Item 3 on Page 2 of Office Action mailed August 27, 2003. Again, Applicant is aware of no requirement that a process be implemented in a computer in order to be proper statutory subject matter under U.S. patent laws.

M.P.E.P. § 2106 further explains, with regard to the issue of whether a claim is directed to an abstract idea, that “Only when the claim is devoid of any limitation as to a practical application in the technological arts should it be rejected under 35 U.S.C. 101.” Applicant respectfully submits that claims 40-52 are not properly rejected in this regard because they recite subject matter that is a “practical application” in the technological arts. For instance, claim 40 recites that the computer implemented method is “for repricing a reimbursement claim under at least one contract”. Further, claim 40 recites various steps to be performed in repricing such a reimbursement claim, including “determining a reimbursement charge for each claim line associated to a non-eliminated matching term, and adding the reimbursement charges for said claim lines, wherein the reimbursement amount for the claim

is the addition of said reimbursement charges.” Thus, claim 40 is clearly not directed to merely an abstract idea that is devoid of any practical application, but instead specifically recites a method for determining a reimbursement amount when repricing a claim under at least one contract. Thus, this provides a practical application in the reimbursement repricing arts.

M.P.E.P. § 2106 also directs that when a claim is rejected as being directed to merely an abstract idea, “Office personnel must expressly state how the language of the claims has been interpreted to support the rejection.” Thus, if this rejection is maintained in the next Office Action, Applicant respectfully requests that the Examiner more clearly set forth the reasoning for such rejection in accordance with the directives of the M.P.E.P. Additionally, if the Examiner asserts that the process must be recited as implemented in a computer, Applicant respectfully requests that the Examiner identify the authority upon which the Examiner relies for requiring a process to be so implemented.

In view of the above, Applicant respectfully submits that claims 40-52 are directed to proper statutory subject matter in accordance with 35 U.S.C. § 101, and thus withdrawal of this rejection is requested.

IV. Claim Rejections Under 35 U.S.C. § 103(a)

Claims 1-59 are rejected under 35 U.S.C. § 103(a) as being unpatentable over *Tarter* in view of *Bosco*. Applicant respectfully traverses this rejection as provided below.

To establish a prima facie case of obviousness, three basic criteria must be met. *See* M.P.E.P. § 2143. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the combination of references must teach or suggest all the claim limitations. Without conceding any other criteria, Applicant respectfully asserts that the combination of references does not teach or suggest all the limitations of claims 1-59.

A. Independent Claim 1

Independent claim 1 recites, in part, “providing programming code for converting each contract into a plurality of terms and a contract identifier code, each term, of the plurality of terms, containing qualification codes, calculation codes and at least two priority notes, and arranging the plurality of terms, of said contract, into a sequential series of terms”. The Final Office Action relies upon *Tarter* as teaching this element. Specifically, the Final Office Action asserts that column 15, lines 7-65 of *Tarter* teaches this element. Item 6(A) on Page 3 of Final Office Action. However, the relied upon portion of *Tarter* in no way teaches or suggests the above element of claim 1. This portion of *Tarter* provides that:

CHARMS efficiently converts collateralizable assets – in this case receivables – into cash, forecasts cash flow needs, and matches them to available funding sources at competitive market interest rates. ... CHARMS provides the means to obtain the funds needed to purchase the account receivables through securitization, (i.e., borrowing the money and using the receivables as collateral). CHARMS provides for the securitization of the receivables as follows. CHARMS provides the means for the purchase by the System Operator of all of the adjudicated and approved third party receivables from the contracted service providers. CHARMS utilizes historical third party payment data and standardized ratings of the relevant payors and obligors to present rating agencies a conventional underwriting package that will be very easy to rate. Once a rating is established, a broad range of highly competitive markets will be available in which to obtain funding.

The relied upon portion of *Tarter* in no way teaches or suggests the above element of claim 1. For instance, *Tarter* does not teach or suggest “providing programming code for converting each contract into a plurality of terms and a contract identifier code, each term, of the plurality of terms, containing qualification codes, calculation codes and at least two priority notes” (emphasis added). For example, there is no mention of qualification codes, calculation codes, or priority notes in the relied upon portion of *Tarter*. Additionally, the relied upon portion of *Tarter* further fails to teach or suggest “arranging the plurality of terms, of said contract, into a sequential series of terms”. Given that this element is simply not taught or suggested in the relied upon portion of *Tarter*, if the Examiner contends that some other portion of *Tarter* teaches this element, Applicant requests that the Examiner clearly identify such portion of *Tarter* so that Applicant is afforded a full and fair opportunity to address the Examiner’s contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Tarter* does teach or suggest the

above element of claim 1, Applicant requests that the Examiner further clarify how this teaching of *Tarter* provides each limitation recited in this element, such as the recited qualification codes, calculation codes, and priority notes. Otherwise, this rejection should be withdrawn.

Claim 1 further recites “providing programming code for sequentially comparing each claim code, of the series of claim lines, against each qualification code, of the plurality of terms and when a claim code, of a claim line, is substantially equal to a qualification code, of a term, identifying said term as a matching term associated to said claim line”. The Final Office Action relies upon *Tarter* as teaching this element. Specifically, the Final Office Action asserts that Col. 13, line 44 to Col. 15, line 39 of *Tarter* teaches this element. Item 6(A) on Page 3 of Final Office Action. However, the relied upon portion of *Tarter* in no way teaches or suggests this element of claim 1. The relied upon portion of *Tarter* describes “Transaction Processing” in which:

On a daily basis, CHARMS summarizes and prepares records of all transactions. At the end of daily processing, CHARMS initiates a series of funds transfer transactions for all approved claims that have been marked for purchase. In one embodiment of the present invention, CHARMS credits the pharmacy's designated bank account through the existing ACH system in accordance with the agreed upon discounting schedule and debits the SPV's funding account. Col. 13, lines 44-51.

Thus, in this manner, CHARMS initiates a series of funds transfer transactions (to credit the pharmacy's designated bank account) for all approved claims that have been marked for purchase. The relied upon portion of *Tarter* further teaches “Funds Collection” in which:

Upon the establishment of a relationship between the System Operator and a newly subscribing service provider, notice is sent to all relevant payors that all future payments and supporting data for approved claims should be sent directly to the System Operator. CHARMS directs payors to make payments directly to an SPV lock box account. CHARMS monitors the compliance of the payors with their contracted payment terms to insure both the accuracy and timing of the funds flow. FIG. 46. Using pre-defined protocols that are constantly tuned to achieve the most effective payment results, CHARMS provides the means to systematically contact payors and obligors when timely payment has not been received. Col. 14, lines 24-36.

Thus, payments are made from payors to an SPV lock box account under monitoring of CHARMS. The relied upon portion of *Tarter* further teaches “Funds Management and Reconciliation” in which:

On a daily basis CHARMS provides for at least the following cash management functions: (1) the purchase of new service provider receivables; (2) the collection of payments from payors; and (3) the funding or redeeming of market securities. CHARMS processes RAs as they are received along with payments from payors. CHARMS then reconciles previously retained claims against data received in these RAs, uses pre defined parameters to determine disposition, and identifies, reports, and stores any exceptions in an exception database file

Thus, CHARMS provides the fund management and reconciliation services. The relied upon portion of *Tarter* further teaches “Receivables Securitization” in which:

CHARMS provides the means to obtain the funds needed to purchase the account receivables through securitization, (i.e., borrowing the money and using the receivables as collateral). CHARMS provides for the securitization of the receivables as follows. CHARMS provides the means for the purchase by the System Operator of all of the adjudicated and approved third party receivables from the contracted service providers. CHARMS utilizes historical third party payment data and standardized ratings of the relevant payors and obligors to present rating agencies a conventional underwriting package that will be very easy to rate. Once a rating is established, a broad range of highly competitive markets will be available in which to obtain funding. Col. 15, lines 25-39.

Thus, CHARMS provides the ability to purchase account receivables through securitization.

However, the relied upon portion of *Tarter* in no way teaches or suggests “providing programming code for sequentially comparing each claim code, of the series of claim lines, against each qualification code, of the plurality of terms and when a claim code, of a claim line, is substantially equal to a qualification code, of a term, identifying said term as a matching term associated to said claim line”. For instance, *Tarter* does not teach or suggest comparing each claim code of a series of claim lines against a qualification code. Further, *Tarter* does not teach or suggest identifying a term as a matching term associated to the claim line when a claim code of the claim line is substantially equal to the qualification code. These actions are completely absent from the relied upon teaching of *Tarter*.

Given that this element is simply not taught or suggested in the relied upon portion of *Tarter*, if the Examiner contends that some other portion of *Tarter* teaches this element, Applicant requests that the Examiner clearly identify such portion of *Tarter* so that Applicant is afforded a full and fair opportunity to address the Examiner's contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Tarter* does teach or suggest the above element of claim 1, Applicant requests that the Examiner further clarify how this teaching of *Tarter* provides each limitation recited in this element, such as comparing each claim code of a series of claim lines against a qualification code and identifying a term as a matching term associated to the claim line when a claim code of the claim line is substantially equal to the qualification code. Otherwise, this rejection should be withdrawn.

Further, claim 1 further recites "providing programming code for determining any priority conditions associated to all of the matching terms, and eliminating any matching terms that are excluded by said priority conditions; and providing programming code for determining a reimbursement amount for the claim by processing the calculation codes of the non-eliminated matching terms." The Final Office Action concedes that *Tarter* fails to teach or suggest these elements of claim 1, but asserts that these elements are found in *Bosco*. Particularly, the Final Office Action relies upon Col. 9, lines 1-67 and Col. 19, line 58 to Col. 20, line 68 as teaching or suggesting the above elements of claim 1.

In Col. 9, lines 1-67, *Bosco* defines various Case Subject Entities, Case Subject Minor Tables, Claim Subject Entities, and Claim Subject Entities Minor Tables. These definitions fail to teach or suggest the above elements of claim 1. For instance, the definitions fail to teach or suggest "programming code for determining any priority conditions associated to all of the matching terms, and eliminating any matching terms that are excluded by said priority conditions". Further, the definitions fail to teach or suggest "programming code for determining a reimbursement amount for the claim by processing the calculation codes of the non-eliminated matching terms."

Col. 19, line 58 to Col. 20, line 68 of *Bosco* describes that:

Referring to FIG. 1, the Case subject describes a complete plan of insurance for a client at a point in time. The Case subject is comprised of entities that identify (1) basic case descriptive information, including activity

history and coverages available; (2) policy level information, including participant details, in-force (selected) coverages, and billing information; and (3) producer information that identifies the relationships between producers (agents, TPA's broker/dealers) and coverages to provide commission and commission split details for the coverage of each case.

...

The Claim subject concerns requests from a participant for reimbursement for an incurred procedure or loss. This subject contains information about claims tracked to the benefit level. Relationships from the Case Subject indicate the policy under which a claim is filed. Relationships from the Client Subject identify the claimant. The claim information, including relationships from the Case and Client Subjects, enable the validation of claims and the analysis of losses.

...

The Coverage Subject contains rules and options that define and describe Group products marketed by the Enterprise, which include plans of insurance and related insurance services. The Coverage Subject contains all the business elements necessary to define the coverages and services that comprise a group product that may be offered in a case; in other words, the Coverage Subject establishes what may be sold, and the Case Subject represents instances of actual sold products (or sold "packages" of products). Key entities are Coverage Category (Medical, Life, Dental, Long Term Care, Disability Income, AD&D), Coverage (Coverage Category further qualified by Coverage Type, such as Basic, Comprehensive, Supplemental, etc) and Funding Method (Fully Insured, Stop Loss, Admin Services Only, Minimum Premium Plan).

Every product sold by the Enterprise is defined in terms of Coverage and Funding Method. For each Coverage there are various Provisions, which describe eligibility and benefit criteria and include optional established default values (e.g., Deductible amount, \$50 or \$100). For each Funding Method there are various Services that are group insurance business functions necessary to administer each product (e.g., Claims Processing, Loss Reporting). For both each Coverage and Funding Method there are specific Conditions that define certain rules and restrictions for the Funding Method and quantify them for the Coverage (e.g., Aggregate Stop Loss Attachment Point, Life=\$100,000, Medical=\$250,000).

The above portions of *Bosco* do not teach or suggest “programming code for determining any priority conditions associated to all of the matching terms, and eliminating any matching terms that are excluded by said priority conditions”. That is, this relied upon portion of *Bosco* does not teach or suggest programming code that executes to determine priority conditions and eliminate matching terms that are excluded by the priority conditions. Further, the above portions of *Bosco* fail to teach or suggest “programming code for determining a reimbursement amount for the claim by processing the calculation codes of the non-eliminated matching terms.” That is, *Bosco* does not teach or suggest programming code

that executes to determine a reimbursement amount for a claim by processing calculation codes of non-eliminated matching terms of a contract.

Given that these elements of claim 1 are simply not taught or suggested in the relied upon portion of *Bosco*, if the Examiner contends that some other portion of *Bosco* teaches these elements, Applicant requests that the Examiner clearly identify such portion of *Bosco* so that Applicant is afforded a full and fair opportunity to address the Examiner's contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Bosco* does teach or suggest the above elements of claim 1, Applicant requests that the Examiner further clarify how this teaching of *Bosco* provides each limitation recited in these elements, such as programming code for determining any priority conditions associated to all of the matching terms, eliminating any matching terms that are excluded by the priority conditions, and programming code for determining a reimbursement amount for the claim by processing the calculation codes of the non-eliminated matching terms." Otherwise, this rejection should be withdrawn.

In view of the above, the applied combination of *Tarter* and *Bosco* fails to teach or suggest each and every element of independent claim 1. As such, independent claim 1 is not obvious under 35 U.S.C. § 103(a) over *Tarter* in view of *Bosco*.

B. Independent Claim 12

Independent claim 12 recites, in part "inputting into a platform, each contract, of the at least one contract, each contract containing a contract identifier code and a series of contractual terms, each contractual term being defined by qualification codes, calculation codes and at least one priority note". The Final Office Action relies upon *Tarter* as teaching this element. Specifically, the Final Office Action asserts that Col. 13, line 44 to Col. 14, line 65 of *Tarter* teaches this element. Item 6(L) on Page 8 of Final Office Action. However, the relied upon portion of *Tarter* in no way teaches or suggests the above element of claim 12.

The relied upon portion of *Tarter* describes "Transaction Processing" in which:

On a daily basis, CHARMS summarizes and prepares records of all transactions. At the end of daily processing, CHARMS initiates a series of funds transfer transactions for all approved claims that have been marked for purchase. In one embodiment of the present invention, CHARMS credits the

pharmacy's designated bank account through the existing ACH system in accordance with the agreed upon discounting schedule and debits the SPV's funding account. Col. 13, lines 44-51.

Thus, in this manner, CHARMS initiates a series of funds transfer transactions (to credit the pharmacy's designated bank account) for all approved claims that have been marked for purchase. The relied upon portion of *Tarter* further teaches "Funds Collection" in which:

Upon the establishment of a relationship between the System Operator and a newly subscribing service provider, notice is sent to all relevant payors that all future payments and supporting data for approved claims should be sent directly to the System Operator. CHARMS directs payors to make payments directly to an SPV lock box account. CHARMS monitors the compliance of the payors with their contracted payment terms to insure both the accuracy and timing of the funds flow. FIG. 46. Using pre-defined protocols that are constantly tuned to achieve the most effective payment results, CHARMS provides the means to systematically contact payors and obligors when timely payment has not been received. Col. 14, lines 24-36.

Thus, payments are made from payors to an SPV lock box account under monitoring of CHARMS. The relied upon portion of *Tarter* further teaches "Funds Management and Reconciliation" in which:

On a daily basis CHARMS provides for at least the following cash management functions: (1) the purchase of new service provider receivables; (2) the collection of payments from payors; and (3) the funding or redeeming of market securities. CHARMS processes RAs as they are received along with payments from payors. CHARMS then reconciles previously retained claims against data received in these RAs, uses pre defined parameters to determine disposition, and identifies, reports, and stores any exceptions in an exception database file

Thus, CHARMS provides the fund management and reconciliation services. The relied upon portion of *Tarter* further teaches "Receivables Securitization" in which:

CHARMS provides the means to obtain the funds needed to purchase the account receivables through securitization, (i.e., borrowing the money and using the receivables as collateral). CHARMS provides for the securitization of the receivables as follows. CHARMS provides the means for the purchase by the System Operator of all of the adjudicated and approved third party receivables from the contracted service providers. CHARMS utilizes historical third party payment data and standardized ratings of the relevant payors and obligors to present rating agencies a conventional underwriting package that

will be very easy to rate. Once a rating is established, a broad range of highly competitive markets will be available in which to obtain funding. Col. 15, lines 25-39.

Thus, CHARMS provides the ability to purchase account receivables through securitization.

However, the relied upon portion of *Tarter* in no way teaches or suggests “inputting into a platform, each contract, of the at least one contract, each contract containing a contract identifier code and a series of contractual terms, each contractual term being defined by qualification codes, calculation codes and at least one priority note” (emphasis added). For example, there is no mention of qualification codes, calculation codes, or priority notes in the relied upon portion of *Tarter*. Given that this element is simply not taught or suggested in the relied upon portion of *Tarter*, if the Examiner contends that some other portion of *Tarter* teaches this element, Applicant requests that the Examiner clearly identify such portion of *Tarter* so that Applicant is afforded a full and fair opportunity to address the Examiner’s contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Tarter* does teach or suggest the above element of claim 12, Applicant requests that the Examiner further clarify how this teaching of *Tarter* provides each limitation recited in this element, such as the recited qualification codes, calculation codes, and priority notes. Otherwise, this rejection should be withdrawn.

Claim 12 further recites “requesting a platform to reprice a claim, of the at least one claim, by determining a reimbursement amount for said claim; and requesting a platform to display the reimbursement amount for said repriced claim.” The Final Office Action concedes that *Tarter* fails to teach or suggest these elements of claim 12, but asserts that these elements are found in *Bosco*. Particularly, the Final Office Action relies upon Col. 9, line 53 to Col. 10, line 5 as teaching or suggesting the above elements of claim 12.

The relied upon portion of *Bosco* defines Claim Subject Entities Minor Tables. These definitions fail to teach or suggest the above elements of claim 12. For instance, the definitions fail to teach or suggest “requesting a platform to reprice a claim, of the at least one claim, by determining a reimbursement amount for said claim; and requesting a platform to display the reimbursement amount for said repriced claim.”

Given that these elements of claim 12 are simply not taught or suggested in the relied upon portion of *Bosco*, if the Examiner contends that some other portion of *Bosco* teaches these elements, Applicant requests that the Examiner clearly identify such portion of *Bosco* so that Applicant is afforded a full and fair opportunity to address the Examiner's contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Bosco* does teach or suggest the above elements of claim 12, Applicant requests that the Examiner further clarify how this teaching of *Bosco* provides each limitation recited in these elements, such as determining a reimbursement amount for a claim. Otherwise, this rejection should be withdrawn.

In view of the above, the applied combination of *Tarter* and *Bosco* fails to teach or suggest each and every element of independent claim 12. As such, independent claim 12 is not obvious under 35 U.S.C. § 103(a) over *Tarter* in view of *Bosco*.

C. Independent Claim 24

Independent claim 24 recites, in part, "computer readable program code means for causing a computer to generate a rate sheet which represents a contract, of the at least one contract, the rate sheet containing one or more rate terms that represent the contractual terms of said contract, and containing a rate identifier code that represents the contract identifier of said contract". The Final Office Action relies upon *Tarter* as teaching or suggesting this element of claim 24. Particularly, the Final Office Action relies upon Col. 13, line 44 to Col. 14, line 65 as teaching or suggesting the above element of claim 24, *see* page 13 of Final Office Action. As described above, this portion of *Tarter* teaches "Transaction Processing," "Funds Collection," and "Funds Management and Reconciliation". This portion of *Tarter* does not teach or suggest computer readable program code causing a computer to generate a rate sheet which represents a contract, of the at least one contract, the rate sheet containing one or more rate terms that represent the contractual terms of the contract, and containing a rate identifier code that represents the contract identifier of the contract. Thus, the rejection over *Tarter* is improper.

Claim 24 further recites "computer readable program code means for causing a computer to generate the claim, the claim having a claim identifier codes and a series of claim lines, each claim line including a claim code, a unit number and a code charge". The

Final Office Action relies upon Col. 15, line 7 to Col. 16, line 31 of *Tarter* as teaching or suggesting this element. As described above, this portion of *Tarter* teaches “Receivables Securitization.” This in no way teaches or suggests generating a claim having a claim identifier codes and a series of claim lines with each claim line including a claim code, unit number and code charge. Thus, the rejection over *Tarter* is improper.

Claim 24 further recites “computer readable program code means for causing a computer to reprice the claim against a rate sheet, and to generate and assign a reimbursement amount to said repriced claim”. The Final Office Action relies upon Col. 15, line 7 to Col. 16, line 31 of *Tarter* as teaching or suggesting this element. As described above, this portion of *Tarter* teaches “Receivables Securitization.” This in no way teaches or suggests generating repricing a claim against a rate sheet and generating and assigning a reimbursement amount to a repriced claim. More particularly, the “Receivables Securitization” taught by *Tarter* in no way teaches or suggests repricing a claim against a rate sheet. Thus, the rejection over *Tarter* is improper.

Claim 24 further recites “computer readable program code means for causing a computer to graphically display the reimbursement amount of the repriced claim, and a difference between the total charge of the claim and the reimbursement amount of the repriced claim.” The Final Office Action relies upon Col. 9, lines 1-67 and Col. 19, line 58 to Col. 20, line 68 of *Bosco* as teaching or suggesting this element. The relied upon portion of *Bosco* fails to teach or suggest graphically displaying a reimbursement amount of a repriced claim and a difference between the total charge of the claim and the reimbursement amount of the repriced claim. Thus, the rejection over *Bosco* is improper.

In view of the above, the applied combination of *Tarter* and *Bosco* fails to teach or suggest each and every element of independent claim 24. As such, independent claim 24 is not obvious under 35 U.S.C. § 103(a) over *Tarter* in view of *Bosco*.

D. Independent Claim 40

Independent claim 40 recites, in part, “comparing each claim code, of the claim, against each qualification code, of each contractual term, of a contract”. The Final Office Action asserts, at page 20 thereof, that *Tarter* teaches or suggests this element at Col. 13, line

44 to Col. 15, line 39. However, the relied upon portion of *Tarter* in no way teaches or suggests this element of claim 40. As described above, this portion of *Tarter* describes “Transaction Processing,” “Funds Collection,” “Funds Management and Reconciliation,” and “Receivables Securitization.” The relied upon portion of *Tarter* in no way teaches or suggests “comparing each claim code, of the claim, against each qualification code, of each contractual term, of a contract”. For instance, *Tarter* does not teach or suggest comparing each claim code of a claim against a qualification code of a term of a contract. This action is completely absent from the relied upon teaching of *Tarter*.

Given that this element is simply not taught or suggested in the relied upon portion of *Tarter*, if the Examiner contends that some other portion of *Tarter* teaches this element, Applicant requests that the Examiner clearly identify such portion of *Tarter* so that Applicant is afforded a full and fair opportunity to address the Examiner’s contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Tarter* does teach or suggest the above element of claim 40, Applicant requests that the Examiner further clarify how this teaching of *Tarter* provides each limitation recited in this element, such as comparing each claim code of a claim against a qualification code. Otherwise, this rejection should be withdrawn.

Further, claim 40 recites “when a qualification code, of a contractual term, is satisfied by a claim code, of a claim line, identifying said contractual term as a matching contractual term associated to said claim line, and creating a list of all matching contractual terms”. The Final Office Action asserts that *Tarter* further teaches or suggests this element of claim 40, particularly relying upon Col. 13, line 44 to Col. 14, line 67. As mentioned above, this portion of *Tarter* in no way teaches or suggests using a qualification code of a contractual term, and it certainly fails to teach or suggest identifying a contractual term as a matching term associated to the claim line when the qualification code is satisfied by a claim code. Nor does this portion of *Tarter* teach or suggest creating a list of all matching contractual terms. There is simply no hint whatsoever of such a list being created in the relied upon portion of *Tarter*.

Given that this element is simply not taught or suggested in the relied upon portion of *Tarter*, if the Examiner contends that some other portion of *Tarter* teaches this element, Applicant requests that the Examiner clearly identify such portion of *Tarter* so that Applicant

is afforded a full and fair opportunity to address the Examiner's contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Tarter* does teach or suggest the above element of claim 40, Applicant requests that the Examiner further clarify how this teaching of *Tarter* provides each limitation recited in this element, such as identifying a contractual term as a matching term when the qualification code is satisfied and creating a list of all matching contractual terms. Otherwise, this rejection should be withdrawn.

Independent claim 40 further recites "determining any priority conditions associated to the matching contractual terms, and eliminating any matching contractual terms, from said list of matching terms that are excluded by said priority conditions". The Final Office Action asserts that *Bosco* teaches or suggests this element of claim 40, particularly relying upon Col. 9, lines 1-67 and Col. 19, line 58 to Col. 20 line 68. As discussed further below, the relied upon portion of *Bosco* fails to teach or suggest this element. Particularly, it provides no teaching or suggestion as to determining priority conditions associated with matching contractual terms, nor does it teach or suggest eliminating any matching contractual terms from a list of matching terms based on the priority conditions.

In Col. 9, lines 1-67, *Bosco* defines various Case Subject Entities, Case Subject Minor Tables, Claim Subject Entities, and Claim Subject Entities Minor Tables. These definitions fail to teach or suggest the above element of claim 40. For instance, the definitions fail to teach or suggest "determining any priority conditions associated to the matching contractual terms, and eliminating any matching contractual terms, from said list of matching terms that are excluded by said priority conditions".

Col. 19, line 58 to Col. 20, line 68 of *Bosco* describes that:

Referring to FIG. 1, the Case subject describes a complete plan of insurance for a client at a point in time. The Case subject is comprised of entities that identify (1) basic case descriptive information, including activity history and coverages available; (2) policy level information, including participant details, in-force (selected) coverages, and billing information; and (3) producer information that identifies the relationships between producers (agents, TPA's broker/dealers) and coverages to provide commission and commission split details for the coverage of each case.

...

The Claim subject concerns requests from a participant for

reimbursement for an incurred procedure or loss. This subject contains information about claims tracked to the benefit level. Relationships from the Case Subject indicate the policy under which a claim is filed. Relationships from the Client Subject identify the claimant. The claim information, including relationships from the Case and Client Subjects, enable the validation of claims and the analysis of losses.

...

The Coverage Subject contains rules and options that define and describe Group products marketed by the Enterprise, which include plans of insurance and related insurance services. The Coverage Subject contains all the business elements necessary to define the coverages and services that comprise a group product that may be offered in a case; in other words, the Coverage Subject establishes what may be sold, and the Case Subject represents instances of actual sold products (or sold "packages" of products). Key entities are Coverage Category (Medical, Life, Dental, Long Term Care, Disability Income, AD&D), Coverage (Coverage Category further qualified by Coverage Type, such as Basic, Comprehensive, Supplemental, etc) and Funding Method (Fully Insured, Stop Loss, Admin Services Only, Minimum Premium Plan).

Every product sold by the Enterprise is defined in terms of Coverage and Funding Method. For each Coverage there are various Provisions, which describe eligibility and benefit criteria and include optional established default values (e.g., Deductible amount, \$50 or \$100). For each Funding Method there are various Services that are group insurance business functions necessary to administer each product (e.g., Claims Processing, Loss Reporting). For both each Coverage and Funding Method there are specific Conditions that define certain rules and restrictions for the Funding Method and quantify them for the Coverage (e.g., Aggregate Stop Loss Attachment Point, Life=\$100,000, Medical=\$250,000).

The above portions of *Bosco* do not teach or suggest "determining any priority conditions associated to the matching contractual terms, and eliminating any matching contractual terms, from said list of matching terms that are excluded by said priority conditions". That is, this relied upon portion of *Bosco* does not teach or suggest determining priority conditions and eliminating matching terms from a list of matching terms.

Given that this element of claim 40 are simply not taught or suggested in the relied upon portion of *Bosco*, if the Examiner contends that some other portion of *Bosco* teaches this element, Applicant requests that the Examiner clearly identify such portion of *Bosco* so that Applicant is afforded a full and fair opportunity to address the Examiner's contention. If, on the other hand, the Examiner disagrees with Applicant and maintains that the relied upon portion of *Bosco* does teach or suggest the above elements of claim 40, Applicant requests that the Examiner further clarify how this teaching of *Bosco* provides each limitation recited

in these elements, such as determining priority conditions and eliminating matching terms from a list of matching terms. Otherwise, this rejection should be withdrawn.

In view of the above, the applied combination of *Tarter* and *Bosco* fails to teach or suggest each and every element of independent claim 40. As such, independent claim 40 is not obvious under 35 U.S.C. § 103(a) over *Tarter* in view of *Bosco*.

E. Independent Claim 53

Independent claim 53 recites, in part, “computer readable program code means for causing a computer to generate a rate sheet representing the contractual terms of said contract, the rate sheet containing identifier codes, and one or more rate terms”. The Final Office Action relies upon *Tarter* as teaching or suggesting this element of claim 53. Particularly, the Final Office Action relies upon Col. 13, line 44 to Col. 14, line 65 as teaching or suggesting the above element of claim 53, *see* pages 25-26 of Final Office Action. As described above, this portion of *Tarter* teaches “Transaction Processing,” “Funds Collection,” and “Funds Management and Reconciliation”. This portion of *Tarter* does not teach or suggest computer readable program code causing a computer to generate a rate sheet representing contractual terms, the rate sheet containing one or more rate terms and identifier codes. Thus, the rejection over *Tarter* is improper.

Claim 53 further recites “computer readable program code means for causing a computer to arrange the rate terms in a sequential series of terms”. The Final Office Action relies upon *Bosco*, particularly Col. 9, lines 1-67 and Col. 19, line 58 to Col. 20, line 68, as teaching or suggesting this element. This portion of *Bosco* in no way teaches or suggests arranging rate terms in a sequential series of terms. If the Examiner maintains that this portion of *Bosco* does teach or suggest this element of claim 53, Applicant requests that the Examiner further clarify how this teaching of *Bosco* provides each limitation recited in this element, such as arranging rate terms in a sequential series of terms because Applicant finds no hint of arranging rate terms in this manner in the relied upon portion of *Bosco*. Otherwise, this rejection should be withdrawn

Claim 53 further recites “computer readable program code means for graphically conveying the rate sheet by displaying the sequential series of terms in an English language

representation.”. The Final Office Action relies upon Col. 9, lines 1-67 and Col. 19, line 58 to Col. 20, line 68 of *Bosco* as teaching or suggesting this element. The relied upon portion of *Bosco* fails to teach or suggest graphically conveying a rate sheet by displaying a sequential series of terms. Thus, the rejection over *Bosco* is improper.

In view of the above, the applied combination of *Tarter* and *Bosco* fails to teach or suggest each and every element of independent claim 53. As such, independent claim 53 is not obvious under 35 U.S.C. § 103(a) over *Tarter* in view of *Bosco*.

F. Dependent Claims

Each of dependent claims 2-11, 13-23, 25-39, 41-52, and 54-59 depends, either directly or indirectly, from one of independent claims 1, 12, 24, 40, and 53 (and thus inherits all limitations of its respective independent claim). In view of the above, Applicant respectfully submits that independent claims 1, 12, 24, 40, and 53 are of patentable merit. It is respectfully submitted that dependent claims 2-11, 13-23, 25-39, 41-52, and 54-59 are allowable at least because of their dependency from their respective independent claims for the reasons discussed above.

V. New Claims

New claims 60-86 are added herein. These claims are believed to be allowable over the applied references of record. More particularly, the applied references of record fail to teach or suggest each and every element of independent claims 60, 65, 71, 79, 82, and 84.

For example, independent claim 60 recites, in part, “associating, with said at least one term, information, stored to computer-readable medium, representing at least one qualifier having a corresponding calculation method, wherein the at least one qualifier identifies at least one condition to be satisfied by a claim for reimbursement in order to trigger the corresponding calculation method.” The applied references of record fail to teach or suggest at least this element of claim 60.

Independent claim 65 recites, in part, “code for associating with the at least one term a qualification having a corresponding calculation method, wherein the qualification identifies when a received claim for reimbursement qualifies for reimbursement, under the term with

which the qualification is associated, according to the corresponding calculation method.” The applied references of record fail to teach or suggest at least this element of claim 65.

Independent claim 71 recites, in part, “code for generating a user interface providing a phrase describing a term of a contract for reimbursement, wherein said phrase includes at least one input field for receiving input from a user”. The applied references of record fail to teach or suggest at least this element of claim 71.

Independent claim 79 recites, in part, “code for generating output presenting at least one phrase describing the terms of the defined contract for reimbursement.” The applied references of record fail to teach or suggest at least this element of independent claim 79.

Independent claim 82 recites, in part, “for each of the at least one term, receiving, by said processor-based device, input identifying at least one qualification that specifies at least one condition to be satisfied in a claim for the claim to qualify for reimbursement according to the corresponding contract term”. The applied references of record fail to teach or suggest at least this element of independent claim 82.

Independent claim 84 recites, in part, “defining a reimbursement contract in computer-executable program code stored to a computer-readable medium, where said definition of said reimbursement contract includes information associating at least one term of the contract with at least one qualifier having a corresponding calculation method”. The applied references of record fail to teach or suggest at least this element of independent claim 84.

Each of dependent claims 61-64, 66-70, 72-78, 80-81, 83, and 85-86 depends, either directly or indirectly, from one of independent claims 60, 65, 71, 79, 82, and 84 (and thus inherits all limitations of its respective independent claim). In view of the above, Applicant respectfully submits that independent claims 60, 65, 71, 79, 82, and 84 are of patentable merit. It is respectfully submitted that dependent claims 61-64, 66-70, 72-78, 80-81, 83, and 85-86 are allowable at least because of their dependency from their respective independent claims for the reasons discussed above.

VI. Conclusion

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to pass this application to issue.

Please charge any additional fees that may be due in this matter to Deposit Account No. 06-2380, under Order No. 66729-P017US-10405597 from which the undersigned is authorized to draw.

Dated: June 14, 2004

Respectfully submitted,

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